



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

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Division Director

August 5, 1998

TO: Minerals File

FROM: Anthony A. Gallegos, Senior Reclamation Specialist *aaG*

RE: Site Inspection, Honey Comb Mining Associates, LLC, Blind Stream Claims 1-4 Mine, S/013/004, Duchesne County, Utah

Date of Inspection: July 15, 1998
Time of Inspection: 1230 - 1545
Conditions: sunny, warm
Participants: Darrel North, Bill Hansen, Sheila Ivers, Honey Comb Mining Associates LLC (Honey Comb); Chauncie Todd, Clairice Cowan USFS; Tony Gallegos, DOGM

Purpose of Inspection: To become familiar with the current site conditions and proposed operations

The site is accessed by taking the road east out of Hana and turning north on the road along Farm Creek, and then taking forest service road #197 along Log Hollow up to the area near Blind Stream peak.

Darrel North was waiting for us at the site when we arrived. A short time later Bill Hansen and Sheila Ivers arrived. Before examining the site we discussed the general requirements of the state Minerals Rules and the categories of mining activities and notices under the rules. We discussed the Memorandum Of Understanding (MOU) between the Division and the USFS and how it is intended to work.

This operation is currently permitted with the Division as a small mining operation (SMO) and permitted with the USFS as a Plan Of Operations (POO). Current mining activity at this site is covered under the POO with a Categorical Exclusion (CE). The CE allows Honey Comb to remove a limited tonnage during that year. Honey Comb has approximately 150 tons of ore which they can remove under the current CE which expires sometime this year. They would like to be able to remove an additional 500 tons before the end of this field season. This would require a new CE from the USFS. The Division would require the same CE information and treat it as an amendment to the small mine notice.

Current mining disturbance for this SMO includes the main trench excavation into the deposit with a reject pile located adjacent and to the east. Another surficial trench type excavation created by Honeycomb is located immediately to the west of the main excavation. Mining has been

performed using a trackhoe type excavator. Total disturbed area for these features is approximately 1/4 to 1/2 acre. The current road to the site is considered by the USFS to be an existing road. The road continues beyond the active mine operation for a short distance before ending at what appears to be a camp site. There is a small prospect type digging a short distance to the west and uphill from the area of active mining operations. The prospect digging is pre-existing and not considered to be the responsibility of Honey Comb.

Honey Comb would like to build a new section of road to replace a stretch of the existing road. The proposed replacement road would avoid the meadows and wet areas of the existing road. Honey Comb would be willing to reclaim the existing road in exchange for creating a replacement road. If the USFS agrees with this proposal, the new road would be considered a forest service road and Honey Comb would not be responsible for reclamation of the road area. If this is the case then the Division would not include this replacement road disturbance as part of the SMO disturbed area.

Honey Comb has submitted a POO for the next year. Honey Comb is also working with the FS to develop a five year mine plan. This five year plan may require completion of an Environmental Assessment (EA) or it may be handled by a CE. This five year plan would allow the approved operations to continue for a five year period rather than requiring an annual mine plan. A copy of the new plan submitted to the USFS was also supposedly copied to the Division. The USFS or Honey Comb will provide another copy if the Division did not receive it yet.

We discussed the Division's release criteria of requiring revegetation to survive up to three growing seasons before a reclaimed area can be considered successfully revegetated and fully released. This three year criteria requires the mine operator who is conducting concurrent reclamation to plan for the total surface disturbance needed for three to four years of operation. Honey Comb, the USFS and the Division were all in agreement with the concept of limiting the total surface disturbance for this project to five acres or less.

We discussed the limited amount of topsoil available for salvage from the mining area. The material being mined outcrops on the surface or has a thin layer of topsoil as evident in photographs of the pit and highwall area. Honey Comb is encouraged to salvage any and all topsoil available and to stockpile this topsoil separately from the overburden or rejects materials. The rejects material currently stockpiled on site appeared to contain adequate "fines" to support vegetation provided there are no geochemical problems. As part of the CE and/or EA process the USFS would be examining the soils in the area more closely. The USFS would also be performing a survey of vegetation species and density, and a cultural/historical survey of the project area. Ideally, Honey Comb would segregate each horizon of material removed during mining. These segregated materials would then be replaced in the reverse order with the upper horizon soils placed last on top of the regraded materials. If possible, Honey Comb should utilize concurrent reclamation and direct placement of reject materials, overburden, and soils, to keep the surface disturbance to a minimum. This concurrent reclamation will also minimize reclamation costs.

Page 3
Site Inspection
S/013/004
August 5, 1998

We walked the proposed route of the replacement road. In general, the new road would avoid the meadow bottoms and the wet problem areas. The new road would require some minor grading and cut and fill construction. The new road appears to be shorter than the existing road, however, this would need to be verified on a map. Several photographs of the general alignment of the replacement road were taken from various view points. With Honey Comb's permission several samples of the ore materials were collected.

In conclusion, the Division has no concerns with the current mine operations or mining disturbances at this site at this time. The current disturbances are significantly less than five acres and the mine site shows no signs of erosion or stability problems. The proposed replacement road would appear to provide more reliable access to the mine site while minimizing the environmental impacts.

jb

cc: Bill Hansen, Honey Comb Mining Associates, LLC
Claurice Cowan, Duchesne Ranger District, USFS
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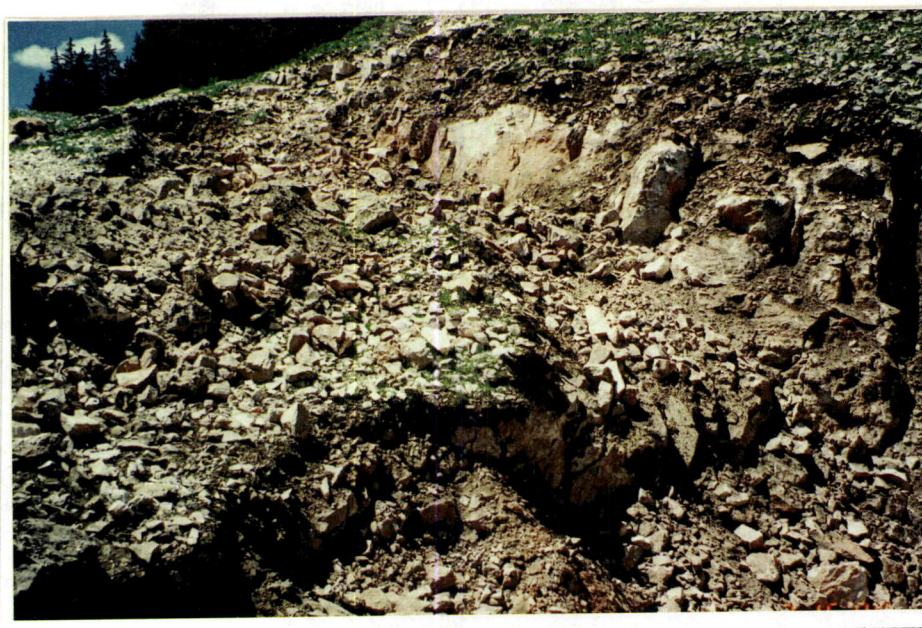




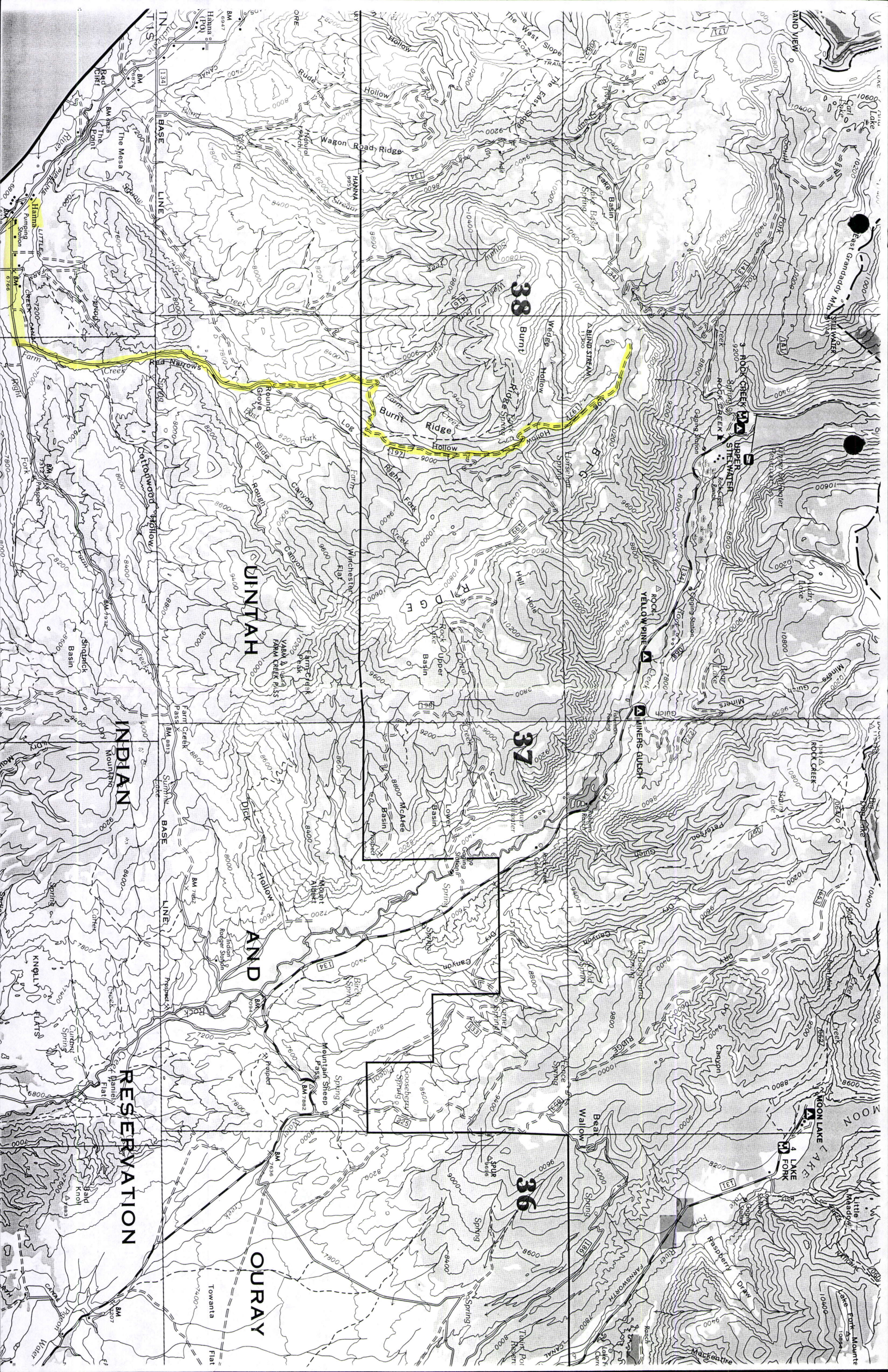


S/013/004

HONEY COMB MINING







5/013/004
BLIND STREAM CATCHES 1-4 PROJECT

ACCESS ROUTE

HIGH UTMAS WILDERNESS MAP - WEST HALF
SCALE 1 INCH = 2 KILOMETERS